repurchase price ranging from Rs. 10/- to Rs. 12/- per unit under the cash option. The net asset value (NAV) of the units under this scheme was much lower than the repurchase price during August 2001 to May, 2003 when repurchases were made. The difference between the repurchase price and the NAV was met through financial assistance from the Government of India.

(c) The Government has not acquired any PSU shares while liquidating US 64 scheme during May, 2003.

Totalisation agreement with USA

1444. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE
be pleased to refer to the reply to Unstarred Question 504 given in the Rajya Sabha on 7th December, 2004 and state whether any fresh efforts have been made to enter into a Totalisation Agreement with U.S.A. and if so, with what results?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): Information is being collected and will be placed on the Table of the House.

Cut in interest rate for one-year crop loan

1445. SHRI SAN JAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to curtail interest rate up to six per cent for one-year crop loan for benefiting poor farmers;

(b) if so, the details thereof; and when this is proposed to be implemented; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) As per the interest rate policy of the Reserve Bank of India (RBI), interest rate on loans given by the Commercial Banks are deregulated excepting that interest rate on loans up to Rs. 2 lakh should not exceed the Benchmark Prime Lending Rate (BPLR). Commercial Banks are free to decide their tending rate for loans above Rs. 2 lakh subject to announcement of their BPLR. However, the Government on 16th July, 2003 had announced reduction

in the lending rate for agriculture with a view to extending the full benefit of declining interest rates to agriculture sector, particularly to the small and marginal farmers. Consequent to the annoucement, all Public Sector Banks have reduced their lending rate to a single digit rate not more than 9% per annum and in some cases 8.5% per annum on crop loans up to a ceiling of Rs. 50,000/-. This single digit lending rate have benefited most of the crop loan account holders and covered almost all small and marginal farmers.

Weeding out of excess staff

1446. SHRI TARIQANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government is facing financial crunch to meet all its liabilities including payment of salaries and wages to its employees;

(b) if so, the details thereof;

(c) whether Government propose to weed out the excess staff in Government offices; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Adequate budgetary provision has been made to meet all liabilities including payment of salaries and wages to Central Government employees.

(c) and (d) It has been the continuous endeavour of the Government to optimize and rightsize its staff strength so as to contain non-plan non-developmental expenditure.

LIC's loan to Jet Airways for fleet expansion

1447. SHRI ABANI ROY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Life Insurance Corporation of India (LIC) has sanctioned and disbursed a huge loan of Rs. 800 crore to Jet Airways for its fleet expansion programme;

(b) if so, the details of loan alongwith interest rate charged by LIC;

(c) what are the details of collateral submitted by the company,